



FY2015 Loudoun County Budget Report

Last night, the Board of Supervisors voted to adopt a \$1.98 billion budget funded with a \$1.155 tax rate on a 5-3-1 vote. I supported this budget, which included funding for several of my top priorities.

The work on this budget started last summer and continued throughout the fall. As a result, at least on the County side, the process went very smoothly and the County Administrator's budget proposal was already reflective of many Board priorities. Things haven't gone as smoothly on the LCPS side, which I'll address below.

The FY2015 tax rate of \$1.155/\$100 assessed represents the "equalized rate"—meaning that at this tax rate, the average homeowner will be paying the same as last year. The rate has been reduced by five cents to account for assessment increases and growth in the County's tax base.

Even with the equalized tax rate, this budget increases overall funding by \$172.9 million. That's because of new revenue that has come from growth and is a sign that the Board's economic development efforts are paying off.

Details on specific projects are below, but I wanted to highlight a few of the most important items for the Dulles District. The Board worked with Sheriff Chapman to add 4 new Sheriff's Deputies to the Dulles South Sheriff substation—increasing the field presence for LCSO in our community. We also accelerated plans for a new Fire-Rescue Station in the Braddock Road area.

On the Capital Budget side, the Board approved funding to construct Phase III of the Dulles South Multipurpose Center—the senior center—allowing it to move forward in conjunction with Phase II. As a result of this vote, our seniors will now have a complete center to call their own, instead of a few rooms they are using now that were intended for preschool.

I'm particularly excited about the transportation planning in this budget. For the first time, the Board has reserved funding over the next six years for the completion of Loudoun County Parkway, the extension of Northstar Boulevard from Tall Cedars Parkway to Brambleton, and the construction of Arcola Boulevard, which will be a new connection between Route 50 and Evergreen Mills Road. Along with the widening of 606, which is already funded, these roads will finally unlock the Route 50 corridor from the rest of the County.

Overall, in FY15 we are spending \$126.5 million on rail and road projects, and \$121 million on school projects. The approved Capital Improvement Program (CIP) includes a total of \$737 million on rail and road projects and \$651 million on school projects. I will discuss individual departments, including Loudoun County Public Schools, below.

Budget Highlights

Although they are funded differently, I'll include both operating and capital budget projects in my breakdown below by department. For Capital Projects, it is important to note that everything you see here has been vetted by the Board and by our outstanding Management and Financial Services team. All of these projects fit within existing, planned debt limitations and will not jeopardize the County's AAA credit ratings.

PUBLIC SAFETY

Dulles South Service Area Deputies: Over the past year I've heard concerns from citizens and from leadership in the Sheriff's office about the number of deputies available to service the Dulles South sector, which is over 100 square miles. We worked with Sheriff Chapman to provide a \$772,042 budget enhancement to hire, train, and outfit four new deputies for our station. Training will take about 10 months after they are hired. These deputies will assist with patrol, traffic demands, and calls for service in our area. As we continue to experience growth the additional personnel is needed to service the demands that are expected to increase. Four deputies will allow for an additional two deputies per shift.

Sheriff's Office Budget: The Board provided \$79.5 million to LCSO funding, a \$3.1 million increase from last year. The majority of the increase went to Field Operations and the

Corrections Division. Specifically, we are adding 6 Deputies to the Adult Detention Center, in order to comply with staffing recommendations provided by the Department of Justice.

Kirkpatrick Fire and Rescue Station: Supervisor Clarke and I worked to accelerate the construction of a new fire and rescue station in FY2016. The Board allocated \$13 million over FY2015 and FY2016 to build a new fire station in the new Kirkpatrick West development off of Braddock Road. With Station 9 (Arcola) moving to Brambleton, it will be more difficult for those units to respond to Stone Ridge and Kirkpatrick, so this station will become the primary station and also serve as a backup to Station #19 (Dulles South).

Fire-Rescue Budget: Overall, we provided Loudoun County Fire-Rescue with \$66.5 million, a \$6.8 million increase from last year. Included in the budget are funds for the new reformed combined fire-rescue system we created, which will now be overseen by a Combined System Chief.

PARKS AND RECREATION

Dulles South Multipurpose Center Phase III: Phase III of the Multipurpose Center is a full scale senior center. Currently, seniors in our area have two classrooms in Phase I of the Multipurpose Center, which was mostly intended to be a preschool. The preschool has a long waiting list, and the seniors have very little space with no room to attract more members. We have a growing senior population in the County, and I think they deserve their own facility for daily activities. In FY15, \$5.9 million is allocated in the budget for construction of the senior center. The timeline on this project has been accelerated to the point where it will now be combined with Phase II, the indoor recreation center, which was funded last year. Phase II has been undergoing redesign due to compliance issues with new codes. The County will go out to bid on both projects at once, which will allow for the most cost efficient process and a more streamlined construction project. I'm hoping that we're going to be ready to break ground this summer, so stay tuned for details on that.

Moorefield Station Community Park: This budget is reserving \$9.9 million for a proffered park site for our Dulles North area residents. The park will be 84 acres and feature trails, multiple athletic fields and concessions. It will help us continue to add capacity for sports leagues that are stretched thin.

TRANSPORTATION

Loudoun County Parkway: The Board allocated \$51 million over the next 3 years to design

and construct Loudoun County Parkway from Creighton Road to Old Ox Road—which in my view is the most significant missing link in our area. In FY2015 \$7 million dollars will be utilized to begin the project. Ultimately, this will become a four-lane road to help with countywide connectivity and is necessary for connection to the planned Metro rail stations in the County. There are existing proffers from Brambleton to construct this road, which they are seeking to move to a new rezoning. The Board will consider this matter later this year. If the Board is able to work out an agreement with Brambleton, these funds would be freed up for other projects. However, I wanted to make sure they were reserved in our budget, so we knew with certainty this project was going to get done. When I ran for the Board, I made a commitment to fight for 606 widening, Tall Cedars Parkway, and Loudoun County Parkway. The first two are now underway, so this project allows me to fulfill the last piece of my promise.

Transit Buses: Over the next six years the County will utilize \$7 million dollars, some of which is coming from the Commonwealth for the procurement of transit buses that will serve Metro. \$1.5 million was funded in FY2015 to begin this process as we anticipate the arrival of Phase I of the Silver Line to Wiehle Avenue. Initially, the nearest service for us will be at Loudoun Station (the new apartments on Shellhorn Road in Ashburn), but in the future these buses could also serve the new East Gate Park and Ride lot. (I discussed transit issues in greater depth in the March newsletter).

Stone Ridge Park and Ride: A temporary park and ride lot will be constructed to alleviate over-crowding issues at the current Stone Ridge Park and Ride lot.

Northstar Boulevard: This project was funded in three separate sections. The section from Shreveport Drive to Route 50 is \$34.2 million funded over the next four years, the section from Route 50 to Tall Cedars Parkway is \$12 million in FY 2019, and widening the section from Tall Cedars Parkway to Braddock Road is \$13.8 million from FY2019-2020. Northstar is an extremely important link for us which will alleviate terrible traffic on Gum Spring Road.

Arcola Boulevard: This project was accelerated and funded for FY2017-2018 and will be constructed between Evergreen Mills Road and Route 50, with total funding at \$26 million. There are also proffers on this project from the Arcola Center development, but they are unlikely to be triggered until much later (at which point they will have to pay the County back). This road is another reliever for Gum Spring. Arcola Blvd. will start across from the West Spine Road access point for Gum Spring—in fact, it will go right where the existing Valero gas station is. (An agreement is in place for the station to move).

Glascock Boulevard: Running from Loudoun County Parkway to Arcola Boulevard, this was funded at \$16.6 million in FY2020. It will allow for better access to the new Dulles Landing shopping center that is currently under construction.

LIBRARIES

The Board approved \$14.4 million in library services.

Children's Programming Coordinator: I know from my experience with my own kids how popular children's programs like story time are. The Board narrowly approved (5-4) my motion to add a programming coordinator position, which will better manage the existing staff and programs.

LOUDOUN COUNTY PUBLIC SCHOOLS

Let's start with the LCPS Capital Budget. Every School Board request for a school has been fully funded in the year requested, which is the first time that has happened in decades. The Board of Supervisors did not fund the School Board's request for an additional \$35 million for land acquisition. More than \$40 million already exists in that account, so there is no need to put more money into it.

ES-27: A new Dulles North elementary school with construction funding for \$35 million and a planned opening for 2016. This school was accelerated by one year from last year's CIP. No site has been selected.

ES-28: A new Dulles South elementary school located next to John Champe High School. The school will be funded in FY2019 at \$41.7 million and scheduled for opening in 2020.

MS-9: A Dulles North Area Middle School was funded in FY15 for \$53.5 million. This school will also serve the Dulles North area, relieving overcrowding at Stone Hill Middle School, with a scheduled opening in the fall of 2017. No site has been selected.

MS-7: A Dulles South Area Middle School estimated to cost \$63.8 million was funded for FY2019 with a scheduled opening of 2021. A site has been selected on Braddock Road west of Northstar Boulevard.

Academies of Loudoun: This project will replace the Charles S Monroe Technology Center and be a consolidated science/technology/vocational high school. The facility will accommodate approximately 1000 students and be outfitted with instructional and lab spaces to support the

instructional program there. \$6 million was funded for FY2015 and construction funding will come in FY2016 with a 2018 opening. The concept here is to create an atmosphere similar to Thomas Jefferson High School in Fairfax County. A site has been selected on Sycolin Road near Belmont Ridge Road in Ashburn.

HS-11: A Dulles North Area High School has construction funding for \$121 million in FY2018 with an anticipated opening in 2020. No site has been selected.

Renovation of Broad Run High School: \$26.5 million has been allocated in FY2015 for design and construction related to the necessary renovations of the existing Broad Run High School. This includes a cafeteria expansion, additional parking, improved field and concessions area, and improvements to student circulation. Renovations will begin this summer.

Operating Budget: The operating budget process this year was a challenge. The School Board made an extremely large request—they wanted an additional \$106 million—about 13%. After carefully studying that request and weighing the totality of the budget, I could not justify that type of increase, which would have resulted in a significant tax hike, especially for those who saw major increases in their assessments, which include many residents in the lower income sections of the County.

However, the Board of Supervisors is providing a \$68.3 million increase—over 8 percent. School enrollment is projected to increase by 3.4% next year, so the Board’s budget will be providing quite a bit extra to help our school system catch up. With this amount, LCPS could feasibly begin to address teacher salaries, reduce class sizes, upgrade technology, cover increased health insurance costs for employees, and have money left over for new School Board initiatives.

I have heard some residents concerned that the Board’s LCPS budget is not keeping up with growth. However, the average per pupil expenditure number demonstrates that this Board is in fact investing in education. When I took office in FY2012, Loudoun was spending an average of \$11,014 per pupil. With this year’s budget, that number for FY2015 is now \$12,195. That means that even accounting for growth, under this Board the system is now spending over \$1,000 more per student in just a three-year period. I would note that this rate of per pupil expenditure growth outpaces every other jurisdiction in the Metropolitan Washington region. I also recognize there were cuts made to the system during the recession. But now that we’re in a recovery, the trajectory is once again moving in the right direction, and this year’s budget represents an acceleration of that recovery.

The School Board is currently working on budget reconciliation. I strongly disagree with some of the items they have placed on the table to eliminate, and I hope they won’t follow through

with them. There is simply no need to do so unless they choose to “fully fund” certain areas at the expense of others. The Board of Supervisors laid out a blueprint which utilized our budget to provide a significant salary increase for teachers (greater than 3%), reduced class sizes, funded new IT network infrastructure for our schools, retirement contributions for teachers, and new initiatives such as full day kindergarten for at-risk students. If the School Board cuts things like freshman sports, it will be because they are choosing to fund other areas at a higher level. I’m happy to provide greater details and respond to questions by email at matt.letourneau@loudoun.gov

COUNTY EMPLOYEES

FY2014 Salaries: The Board allocated funds for an average of a 3% percent merit based pay raise for County employees and an increase of 1.5% to both the minimum and the maximum of the pay-bands. This proposed merit-based pay salary is projected to maintain salaries at a competitive level consistent with other local jurisdictions.

In Summary

Overall, this budget is a good product and worthy of the Board’s support. It provides enhancements in needed areas on the County side and provides the school system with a significant budget increase—and it does so without increasing taxes. While I understand that some may have supported a tax increase to provide an even bigger LCPS increase, I’m sensitive both to those who are not as well off in Loudoun—and there are plenty—as well as the impact of higher taxes on commercial business development. Many of our businesses pay both the base property tax and the Silver Line Tax District tax and the Route 28 Transportation Improvement District tax. Their total burden therefore is quite high. Raising taxes even further provides a disincentive for further investment and makes it more difficult to attract new businesses, which ultimately provide us with more revenue.

I look forward to continuing to work hard on many of these projects and issues over the coming months as we improve the quality of life here in Dulles South.